



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Mike Dunleavy, Governor
Julie Sande, Commissioner
Keith Kurber II, Chairman

Regulatory Commission of Alaska

October 6, 2023

In reply refer to: Finance Section
File: PC35-0318N
LO#: L2300334

Arianna Okoviak
Utility Clerk
Napaskiak Electric Utility
P.O. Box 6078
Napaskiak, AK 99559

Dear Ms. Okoviak:

On October 5, 2023, the Commission approved updated **Permanent** Power Cost Equalization (PCE) amount(s) in cents per kilowatt-hour (¢/kWh) for Napaskiak Electric Utility (NAPASKIAK), for the listed classes of customers as follows:

Residential	28.97¢
Community Facilities	28.97¢

The revised PCE amount(s) result from the review of NAPASKIAK's Fuel Report filed on September 21, 2023. The PCE amount(s) are effective for bills rendered on or after October 6, 2023. A copy of the Commission Staff's recommendations and schedules are attached as an Appendix.

NAPASKIAK is reminded of its obligation under the PCE legislation to provide its customers with the notice specified in AS 42.45.120 or similar notice approved by the Alaska Energy Authority.

NAPASKIAK is also reminded of its obligation under 3 AAC 52.620 and 3 AAC 52.640 to notify the Commission of any change in its rates, surcharges, fuel costs, and/or efficiency of operation, and advises NAPASKIAK that a failure to comply with those reporting requirements could jeopardize continued participation in the program.

If NAPASKIAK believes that the calculation used to establish the PCE amount set out above is incorrect, it should seek reconsideration setting forth why it believes the calculation is in error. Any reconsideration request must be submitted within 15 days of the date of this Letter Order.

If you have any questions regarding the calculation of PCE amount(s), please contact Utility Financial Analyst Brenda Cox at (907) 263-2131.

BY DIRECTION OF THE COMMISSION

Sincerely,

REGULATORY COMMISSION OF ALASKA

Kevin AufDerHeide

Kevin AufDerHeide (Oct 6, 2023 09:35 AKDT)

Kevin AufDerHeide

Finance Section Manager

cc: Katherine Aubry, Alaska Energy Authority

STATE OF ALASKA

**DEPARTMENT OF COMMERCE,
COMMUNITY & ECONOMIC DEVELOPMENT
REGULATORY COMMISSION OF ALASKA**

MIKE DUNLEAVY, GOVERNOR

701 WEST EIGHT AVENUE, SUITE 300
ANCHORAGE, ALASKA 99501-3469
PHONE: (907) 276-6222
FAX: (907) 276-0160
TTY/Alaska Relay: (800) 770-8973
WEBSITE: <http://rca.alaska.gov>

DATE: October 6, 2023

INVOICE#: 35-0318N

DATE DUE: November 5, 2023

Arianna Okoviak
Utility Clerk
Napaskiak Electric Utility
P.O. Box 6078
Napaskiak, AK 99559

Fee for Commission Staff analysis and recommendations Re:

FILE #: PC35-0318N

LO #: L2300334

Fuel Report under the Power Cost Equalization Program

Amount Due: \$ 39

TOTAL AMOUNT DUE: \$ 39

MAKE CHECK PAYABLE TO: **STATE OF ALASKA**

PLEASE REMIT CHECK AND COPY OF THIS INVOICE TO:

**REGULATORY COMMISSION OF ALASKA
701 W. 8TH AVE., SUITE 300
ANCHORAGE, AK 99501-3469**

If you have any questions, please contact Naomi Johnston at (907) 263-2132 or
naomi.johnson@alaska.gov.

Napaskiak Electric Utility

FILE #: PC35-0318N

Amount Due: \$ 39

LO #: L2300334

Check Number _____

Please tear along dotted line and submit payment with bottom portion. Thank you.

Power Cost Memorandum Fuel Cost Update

Date: October 5, 2023

Utility Name (Cert. No.) NAPASKIAK ELECTRIC UTILITY (625)	Utility File No. PC35-0318N	Date Filed: September 21, 2023
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PCE AMOUNT SUMMARY	Previously Approved PC35-0318M	Staff Recommended Amount(s) and Effective Date PC35-0318N
Class Rate	<u>Date Approved:</u> July 1, 2023	October 6, 2023
Residential	\$0.2638	\$0.2897
Community Facilities	\$0.2638	\$0.2897
<input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent		

Prior Fuel Purchase Price: <u>\$ 3.9229</u>	New Fuel Purchase Price: <u>\$ 4.2097</u>
<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted	<input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted
Delivery Charge: _____	Surcharge Change: Previous <u>\$0.05</u> Updated <u>\$0.05</u>

Weighted Average Fuel Price/Gal. Calculation					
	Gallons		Price		Cost
On-hand before deliv.	31,397	X	3.9229	=	123,166
Delivered	19,980	X	4.6604	=	93,115
	<u>51,377</u>				<u>216,282</u>
					Weighted Average \$ 4.2097

Signed: Brenda Cox
Brenda Cox

Utility Financial Analyst

Commission decision re. this recommendation :

	Date (if different from 10/5/23)	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT *
Kurber		<i>KKZ</i>		
Doyle		<i>DA</i>		
Espindola		<i>EE</i>		
Pickett		<i>PP</i>		
Wilson		<i>WW</i>		

Special Instructions to Staff:

* If this column is initialed, Staff will contact the Commissioner for the statement. Otherwise, dissent will simply be noted at the close of the By Direction Letter or Order.

NAPASKIAK ELECTRIC UTILITY

APPENDIX 1

SCHEDULE OF ELIGIBLE POWER COSTS, SALES, AND EFFICIENCY
FOR TEST PERIOD ENDING DECEMBER 31, 2017

Fuel Price Change

	PC35-0318M	PC35-0318N	
	Prior Commission Approval	Utility Requested	Staff Recommended
A. Total kWh Generated	1,148,295	1,148,295	1,148,295
B. Total kWh Sold (Appendix 2)	990,263	990,263	990,263
C. Total Non-Fuel Costs (Appendix 2)	130,963	130,963	130,963
D. Non-Fuel Cost/kWh (C / B)	\$0.1323	\$0.1323	\$0.1323
E. Total Fuel Costs (Appendix 2)	337,841	362,543	362,543
F. Fuel Costs/kWh (E / B)	\$0.3412	\$0.3661	\$0.3661
G. Eligible Costs/kWh (D + F)	\$0.4734	\$0.4984	\$0.4984
H. Eligible Cost/kWh (G) Less 19.35 cents/kWh	\$0.2777	\$0.3050	\$0.3050
I. Lesser of (H) or 80.65 cents/kWh	\$0.2777	\$0.3050	\$0.3050
J. Average Class Rates (Appendix 3)			
Residential	\$0.5042	\$0.5065	\$0.5065
Community Facilities	\$0.5042	\$0.5065	\$0.5065
K. Lesser of: (I) x 95% or (J)	Class Power Cost Equalization Per kWh Payable		
Residential	\$0.2638	\$0.2897	\$0.2897
Community Facilities	\$0.2638	\$0.2897	\$0.2897
L. Funding Level in effect	100%	100%	100%
Residential	\$0.2638	\$0.2897	\$0.2897
Community Facilities	\$0.2638	\$0.2897	\$0.2897

PC35-0318N
Appendix 1

NAPASKIAK ELECTRIC UTILITY

APPENDIX 2

SCHEDULE OF ELIGIBLE POWER COSTS, SALES, AND EFFICIENCY
FOR TEST PERIOD ENDING DECEMBER 31, 2017

Fuel Price Change

				PC35-0318M	PC35-0318N	
				Prior Commission Approval	Utility Requested	Staff Recommended
Non-Fuel Costs:						
A.	Personnel Costs			77,614	77,614	77,614
B.	Operating Expenses			21,817	21,817	21,817
C.	General & Administrative			28,972	28,972	28,972
D.	Depreciation			1,598	1,598	1,598
E.	Interest Expense			962	962	962
F.	Total Non-Fuel Costs			\$130,963	\$130,963	\$130,963
Fuel Costs:						
G.	Gallons Consumed for Electric Generation			86,121	86,121	86,121
H.	Price of Fuel: Weighted Average			\$3.9229	\$4.2097	\$4.2097
I.	Total Cost of Fuel			\$ 337,841	\$ 362,543	\$ 362,543
J.	kWh Generated			1,148,295	1,148,295	1,148,295
K.	kWh Sales			990,263	990,263	990,263
L.	kWh Station Service			20,237	20,237	20,237
M.	Efficiency (J/G)	≥	<u>Standard</u> 12.5	13.33	13.33	13.33
N.	Line Loss	≤	12%	12.00%	12.00%	12.00%
(kWh Generated -(kWh Sold+Station Service)/kWh Generated						

PC35-0318N
Appendix 2

Calculation of Average Class Rate per kWh
Rate Schedule: Residential

(1) kWh by Block	(2) Rate (\$/kWh)	(3) Surcharge If Applicable (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - 0.1935
750	0.6500	0.05000	0.7000	525.00	0.7000	0.5065
TOTAL (A)				525.00	0.7000	0.5065 (E)

Rate Schedule: Community Facilities

(1) kWh by Block	(2) Rate (\$/kWh)	(3) Surcharge If Applicable (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - 0.1935
750	0.6500	0.05000	0.7000	525.00	0.7000	0.5065
TOTAL (A)						0.5065 (E)

Rate Schedule:

(1) kWh by Block	(2) Rate (\$/kWh)	(3) Surcharge If Applicable (\$/kWh)	(4) Total (\$/kWh) (2+3)	(5) Total \$ (1x4)	(6) Avg. (\$/kWh) (5)/(1)	(7) Avg. Rate (\$/kWh) - 0.1935
TOTAL (A)						(E)

	Date	Gallons	Cost per Gallon	Delivery/ Mark-up per Gallon	Total Cost
Beginning Fuel Inventory		31,397			
Last Approved Fuel Cost/Gal.			\$ 3.9229		
Beginning Fuel Inventory in Gallons	X	Last Approved Fuel Cost/Gal.	=	Beginning Fuel Inven	\$ 123,166
Reporting Period Purchases	07/12/23	19,980.0	4.6604		93,115
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
					-
Totals for Reporting Period Purchases on this sheet:		19,980			93,115
Grand Totals (beginning inventory plus purchases)		<u>51,377</u>			<u>\$ 216,282</u>
Total Cost for Reporting Period divided by Total Gallons for Reporting Period =					<u>\$ 4.6604</u>
Grand Total Cost divided by Grand Total Gallons		=			<u>\$ 4.2097</u>